

Internal Revenue Service

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Department of the Treasury

Washington, DC 20224

Third Party Communication: None

Date of Communication: Not Applicable

Person To Contact:

, ID. No.

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PLR-110170-13

Date:

June 12, 2013

Legend

Parent =

Sub 1 =

Sub 2 =

Sub 3 =

LLC 1 =

LLC 2 =

Date 1 =

Date 2 =

Date 3 =

Date 4 =

Date 5 =

Tax Professional =

Company Official =

Dear :

This letter responds to a letter dated February 13, 2013, submitted on behalf of Parent, requesting an extension of time under § 301.9100-3 of the Procedure and Administration Regulations to file an election. The extension is being requested for the Parent, Sub 1, Sub 2 and Sub 3 (the "Parent Group") to make an election to file their first consolidated Federal income tax return, with Parent as the common parent, under § 1.1502-75(a)(1) (hereinafter referred to as "Election"), effective for the taxable year ending Date 5. The information provided in that letter and in later correspondence is summarized below.

As of Date 5, pursuant to a series of transactions on Date 1, Date 2, Date 3, and Date 4, Parent owned all of the outstanding stock of Sub 1, Sub 2, and Sub 3, all includible corporations within the meaning of § 1504(b) of the Internal Revenue Code, and all of the equity interests in LLC 1 and LLC 2, entities disregarded as separate from their owner for Federal tax purposes. Prior to the taxable year ending Date 5, the Parent Group did not file a consolidated Federal income tax return. An election to file a consolidated return for the taxable year ending Date 5 was due by the due date of Parent's return, including extensions, but for various reasons a valid Election was not filed. Subsequently this request was submitted, under § 301.9100-3, for an extension of time to file the Election. The period of limitations on assessment under § 6501(a) has not expired for Parent's, Sub 1's, Sub 2's, or Sub 3's taxable year ending Date 5 or any subsequent taxable year. Parent has represented that it is not seeking to alter a return position for which an accuracy related penalty has been or could be imposed under § 6662 at the time Parent requested relief (taking into account any qualified amended return filed within the meaning of § 1.6664-2(c)(3)) and for which the new return position requires or permits a regulatory election for which relief is requested.

Section 1.1502-75(a)(1) provides that a group which did not file a consolidated return for the immediately preceding taxable year may file a consolidated return in lieu of separate returns for the taxable year, provided that each corporation which has been a member of the group during any part of the taxable year for which the consolidated return is to be filed consents to the regulations under § 1502. If a group wishes to exercise its privilege of filing a consolidated return, such consolidated return must be filed not later than the last day prescribed by law (including extensions of time) for filing the common parent's return.

Under § 301.9100-1(c), the Commissioner has discretion to grant a reasonable extension of time to make a regulatory election, or a statutory election (but no more than six months except in the case of a taxpayer who is abroad), under all subtitles of the Internal Revenue Code except subtitles E, G, H, and I.

Sections 301.9100-1 through 301.9100-3 provide the standards the Commissioner will use to determine whether to grant an extension of time to make a regulatory election. Section 301.9100-1(a). Section 301.9100-2 provides automatic extensions of time for making certain elections. Requests for relief under § 301.9100-3 will be granted when the taxpayer provides evidence to establish, to the satisfaction of the Commissioner, that the taxpayer acted reasonably and in good faith, and that granting relief will not prejudice the interests of the government. Section 301.9100-3(a).

Information and representations submitted by Parent, Company Official, and Tax Professional explain the circumstances that resulted in the failure to timely file a valid Election. The information establishes that Parent reasonably relied on a qualified tax professional who failed to make, or advise Parent to make, the Election, and that the request for relief was filed before the failure to make the Election was discovered by the Internal Revenue Service. See §§ 301.9100-3(b)(1)(i) and (v).

Based on the facts and information submitted, including the representations made, we conclude that Parent has shown it acted reasonably and in good faith, the requirements of §§ 301.9100-1 and 301.9100-3 are satisfied, and granting relief will not prejudice the interests of the government. Accordingly, provided Parent Group qualifies substantively to file a consolidated return for the applicable taxable year, an extension of time is granted under § 301.9100-3, until 45 days from the date on this letter, for Parent to file the Election (by filing a consolidated return, with Parent as the common parent, and attaching a Form 1122 for each of Sub 1, Sub 2 and Sub 3) for the taxable year ending Date 5.

The above extension of time is conditioned on the Parent Group's tax liability (if any) being not lower, in the aggregate, for all years to which the Election applies, than it would have been if the Election had been timely made (taking into account the time value of money). No opinion is expressed as to the taxpayer's tax liability for the years

involved. A determination thereof will be made by the applicable Director's office upon audit of the Federal income tax returns involved.

We express no opinion with respect to whether Parent Group qualifies substantively to file a consolidated return. In addition, we express no opinion as to the tax effects or consequences of filing the return or Election late under the provisions of any other section of the Code or regulations, or as to the tax treatment of any conditions existing at the time of, or effects resulting from, filing the return or the Election late that are not specifically set forth in the above ruling. For purposes of granting relief under § 301.9100-3, we relied on certain statements and representations made by the taxpayer and its representatives. However, the Director should verify all essential facts. In addition, notwithstanding that an extension is granted under § 301.9100-3 to file the Election, penalties and interest that would otherwise be applicable, if any, continue to apply.

This ruling is directed only to the taxpayer requesting it. Section 6110(k)(3) of the Code provides that it may not be used or cited as precedent.

Pursuant to the power of attorney on file in this office, copies of this letter are being sent to your authorized representatives.

Sincerely,

Ken Cohen
Senior Technician Reviewer, Branch 3
Office of Associate Chief Counsel (Corporate)

cc: